

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MARKET DOMINANT PRODUCT PRICES
INBOUND MARKET DOMINANT MULTI-SERVICE AGREEMENTS
WITH FOREIGN POSTAL OPERATORS 1

HONGKONG POST – UNITED STATES POSTAL SERVICE
LETTER POST BILATERAL AGREEMENT (MC2010-35)
NEGOTIATED SERVICE AGREEMENT

Docket No. R2015-5

NOTICE OF FILING MODIFICATION TO INBOUND MARKET DOMINANT MULTI-SERVICE AGREEMENTS WITH FOREIGN POSTAL OPERATORS 1 NEGOTIATED SERVICE AGREEMENT
(November 16, 2016)

The negotiated service agreement that is the subject of the above-captioned docket, a bilateral agreement between the United States Postal Service (“Postal Service”) and Hongkong Post (the “Agreement”), is scheduled to expire on December 31, 2016.¹ The Postal Service on November 16, 2016 submitted a motion for temporary relief requesting extension of the Agreement until March 31, 2017 and noting that it would file a signed copy of the modification upon execution by the parties.² Attached to this Notice is Modification One to the Agreement, which Hongkong Post and the Postal Service have executed. The modification states that the Agreement will expire on March 31, 2017.

¹ PRC Order No. 2717, Order Approving Additional Inbound Market Dominant Multi-Service Agreement With Foreign Postal Operators 1 Negotiated Service Agreement (With Hongkong Post), Docket No. R2015-5, September 17, 2015, at 3.

² Motion of the United States Postal Service for Temporary Relief Concerning an Inbound Market Dominant Multi-Service Agreements With Foreign Postal Operators 1 Negotiated Service Agreement, Docket No. R2015-5, November 15, 2016, at 2.

The Postal Service respectfully requests that the Commission continue to list the Agreement in the Mail Classification Schedule through March 31, 2017.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno
Chief Counsel
Global Business and Service Development
Corporate and Postal Business Law Section

Lauren B. Schuttloffel
Attorney

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1137
(202) 268-4198; Fax -6279
lauren.b.schuttloffel@usps.gov
November 16, 2016

**MODIFICATION ONE TO THE
HONGKONG POST - UNITED STATES POSTAL SERVICE
BILATERAL AGREEMENT**

This Modification amends the Hongkong Post – United States Postal Service Bilateral Agreement between the United States Postal Service ("USPS"), an independent establishment of the Executive Branch of the Government of the United States, with offices at 475 L'Enfant Plaza SW, Washington, DC 20260, and Hongkong Post ("Hongkong Post"), a government branch of the Hong Kong Special Administrative Region of People's Republic of China, having a place of business at 4/F Hongkong Post Headquarters 2 Connaught Place, Central, Hong Kong, signed by the USPS and Hongkong Post on July 30, 2015 (the "Agreement"). The USPS and Hongkong Post may each be referred to individually as a "Party" and together as the "Parties."

The Modification replaces the third sentence in paragraph 2 of Article 22 of the Agreement, which reads, "The Agreement will remain in effect until December 31, 2016, unless terminated sooner pursuant to Article 8.", with the following replacement text:

"The Agreement shall remain in effect until March 31, 2017, unless terminated sooner pursuant to Article 8."

All other terms and conditions of the Agreement shall remain in force.

The Parties acknowledge and understand that all obligations of the USPS under this Modification shall be contingent on the USPS receiving approvals from, and/or non-objection by (hereinafter "Conditions Precedent for this Modification") one or more internal and external bodies that have oversight responsibilities. Conditions Precedent for this Modification may include but are not limited to: approvals or, if applicable, non-objection, from USPS senior management, the USPS Governors, the USPS Board of Governors, and/or the U.S. Postal Regulatory Commission. The Parties acknowledge that this Modification might not be approved by such bodies. Until such time that all Conditions Precedent for this Modification are fulfilled that are necessary to provide the products or services contemplated under this Modification, no obligation shall exist for the USPS or Hongkong Post under this Modification and no benefit or right granted through this Modification shall inure to either Party unless and until the Conditions Precedent for this Modification have been fulfilled.

In the event that the Conditions Precedent for this Modification are not fulfilled, the USPS and Hongkong Post shall have no liability arising from this Modification, which shall include no obligation to pay costs associated with any action taken by Hongkong Post prior to the fulfillment of Conditions Precedent for this Modification. Further, in the event of the failure of any Condition Precedent for this Modification, neither Party shall be held liable for any damages relating to this Modification including, without limitation, the following: actual damages; special damages; indirect damages; incidental damages; punitive damages; consequential damages; or any other damages, which shall include but not be limited to damages for loss of business profits; business interruption; any other loss; and/or any cost incurred by either Party attributable to such non-approval such as attorney's fees.

Hongkong Post acknowledges that as part of securing approval of this Agreement and in other subsequent regulatory filings, this Modification and supporting documentation will be filed with the U.S. Postal Regulatory Commission ("Commission") in a docketed proceeding (R2015-5). Hongkong Post also acknowledges that the USPS shall furnish a copy of this Modification to the U.S. Department of State. Hongkong Post authorizes the USPS to determine the scope of information that must be made publicly available in any Commission docketed proceeding in which information related to this Modification must be filed. Hongkong Post further understands that any unredacted portion of this Modification or supporting information may be posted on the Commission's public website, <http://www.prc.gov>. In addition, the USPS may be required to file information in connection with this Agreement (including revenue, cost, or volume data) in other Commission dockets including the Commission docket number for the Annual Compliance Report (ACR) for the USPS fiscal year(s) in which this Agreement is in effect.

Each ACR docket has a distinct docket number, such as ACR201#, in which "201#" signifies the USPS fiscal year to which the ACR pertains. Hongkong Post has the right, in accordance with the Commission's rules, to address its confidentiality concerns directly with the Commission. The procedure for making an application to the Commission for non-public treatment of materials believed to be protected from disclosure is found at Title 39, Code of Federal Regulations, Section 3007.22, on the Commission's website, <http://www.prc.gov/Docs/63/63467/Order225.pdf>. At Hongkong Post's request, the USPS will notify Hongkong Post of the docket number of other Commission proceedings, if any, used in connection with the filing of this Modification.

The Parties may execute this Modification in one or more counterparts (including by facsimile or by electronic means such as .pdf format). Not all Parties need be signatories to the same document. All counterpart signed documents shall be deemed an original and one instrument.

IN WITNESS WHEREOF, the Parties agree to be bound as of the latest date of signature to the terms and conditions of this Modification.

Hongkong Post



Patrick Lin
Director (External Affairs)
Business

United States Postal Service



Cliff Rucker
Senior Vice President, Sales and Customer Relations

16 Nov 2016
Date

11/16/2016
Date

